2. Shortage of working capital for purchase of bogies and couplers from outside vendors;

3. Fall in wagon prices due to adoption of open tender policy by the Railways making some of the PSEs uncompetitive due to high overheads coupled with increase in input price; and

4. Lack of consistent supply order by major consumers; etc.

(c) the wagon manufacturing CPSEs *i.e.* Burn Standard Co. Ltd. (BSCL), Braithwaite & Co. Ltd. (BCL), Bharat Wagon & Engg. Co. Ltd. (BWEL) and Bridge & Roof Co. (India) Ltd. (B&R) became sick on account of poor capacity utilization, apart from other related factors.

(d) The Government has been considering the revival/restructuring of wagon manufacturing companies and has already sanctioned the revival/ restructuring scheme for Braithwaite & Company Limited (BCL) and Bridge & Roof Co. (India) Ltd.

Surplus material stock with PSUs

641. SHRI MOTIUR RAHMAN: Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether the inventory of raw material in stock has been found to be more than annual consumption blocking substantial funds in working capital;

(b) if so, the number of PSUs in which the inventory has been found to be more than annual consumption; and

(c) Government's reaction thereto?

THE MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI SONTOSH MOHAN DEV): (a) to (c) As per available information as on 31.3.2005, out of 227 operating Central Public Sector Enterprises (CPSEs), there were only 6 CPSEs which were having inventory of raw material at the end of the financial year more than their annual consumption. Out of these 6 CPSEs, 4 CPSEs are consistently profit making and because of their nature of operations/activities these CPSEs, at times, may require to hold more inventory. Other 2 CPSEs are loss making and utilizing very minimum capacity and already referred to Board for Reconstruction of Public Sector Enterprises (BRPSE) for their reival/restructuring.